

INSTRUCTIONS FOR FILING (Rev. Oct 2008)
THE COMBINED CALIFORNIA PUC TELEPHONE SURCHARGE TRANSMITTAL

Background

1. All telecommunications carriers (carriers) authorized by the California Public Utilities Commission (CPUC or Commission) to operate in California are required to assess surcharges on their end-users and to remit the monies so collected in accordance with the directions of the Commission. A description of the telecommunications programs funded by these surcharges and historical surcharge rates since inception of the programs is available at the Communications Division's Telecommunications Surcharges and Taxes web-page at the Commission's web site
<http://www.cpuc.ca.gov/PUC/telco/Information+for+providing+service/>
2. Carriers must assess the surcharges on all of their billings for intrastate telecommunications services except for the following:
 - a. Universal Lifeline Telephone Service (ULTS) billings;
 - b. charges to other certificated carriers for services that are to be resold;
 - c. coin sent paid telephone calls (coin in box) and debit card calls;
 - d. customer-specific contracts effective before 9/15/94;
 - e. usage charges for coin-operated pay telephones;
 - f. directory advertising; and
 - g. one-way radio paging.
3. Carriers shall report surcharges using the Combined California PUC Telephone Surcharge Transmittal Form (Transmittal Form).
4. Carriers shall report even if total intrastate billings subject to surcharge are zero.

Reporting and Remitting the Surcharges

5. All carriers must report and remit surcharges on a monthly basis, except for those that bill a *de minimis* amount of surcharges (the *de minimis* rule). The *de minimis* rule permits a carrier to report and remit all surcharges semi-annually on a cumulative basis covering a six-month period from January through June and from July through December. The *de minimis* rule applies to carriers whose average intrastate billings subject to surcharge are equal to or less than \$10,000 a month. Carriers that meet this criteria and wish to report and remit surcharges semi-annually may send an e-mail to telcofiling@cpuc.ca.gov including: the carrier's legal name, the 4-digit utility identification number assigned by the Commission, and a statement to the fact that the average intrastate billings subject to surcharge are equal to or less than \$10,000 per month. Qualified carriers can change to *de minimis* after reporting for the month of June or December. The *de minimis* period would start with January-June or July-December.
6. In the event that the total intrastate billings subject to surcharge exceeds \$60,000 for carriers reporting under the *de minimis* rule. It is up to the carrier to be aware that their reporting has changed from semi-annually to monthly.
7. Carriers shall report all surcharges to the Commission. The total intrastate billings subject to surcharge, i.e. line 1 in the Transmittal Form, must be filled in. For each of the telecommunications programs, i.e. line 2, line 3, and so on, the Surcharge Amount Due should include surcharges billed for the reporting period less estimated uncollectibles. If the surcharge amount due is less than one dollar (\$1), enter zero (\$0). Any adjustments that are not reflected in the billings should be distinctively identified in the Adjustments. These adjustments may include, but are not limited to, prior period adjustments, accounting adjustments, etc.

8. A signed copy of the Transmittal Form and surcharge monies must be remitted, i.e. postmarked or electronically posted for automated clearinghouse (ACH) funds, no later than the 10th day of the second month, i.e. approximately 40 days, following the close of the reporting period. Carriers that file the Transmittal Form and/or remit the surcharge monies after the due date must include a penalty equal to an annual rate of 10%. The penalty is to be assessed on the surcharge amount due, including any adjustments, starting from the 41st day after the close of the reporting period to the date that the Transmittal Form is filed or surcharge monies are remitted, whichever is later.
9. Remittances may be made by check. If remittance is by check, the checks should be made payable and addressed to the appropriate program or fund as noted on Transmittal Form. Electronic remittance of all five surcharges by ACH is available. Prior approval for each CPCN is necessary. For more information on the availability of ACH, and to obtain approval to remit utilizing ACH, please contact the Commission via e-mail at telcofiling@cpuc.ca.gov

Verification and Revocation of Certificate of Public Convenience and Necessity

10. All reported Transmittal Forms are subject to audit verification by the Commission or Commission designee(s). Carriers should remit surcharges for each of the public programs identified in the Surcharge Table below. Carriers that are 90 days or more in arrears on reporting and remitting surcharges may be subject to revocation of their authority to operate in California.

Surcharge Rates:

Current and historical surcharge rates can be found at:

<http://www.cpsc.ca.gov/PUC/telco/Information+for+providing+service/>